

July 7, 2003

Memorandum

To: Bureau Chief Financial Officers

From: R. Schuyler Leshner
Deputy Chief Financial Officer

Subject: Revisions to the Financial Statement Preparation Guidance

The guidance has been revised to incorporate editorial changes and suggestions that are highlighted in red.

The following table summarizes the significant changes reflected in this guidance and the date of revision.

<i>Section</i>	<i>Title</i>	<i>Description of Change</i>	<i>Revision</i>
Chapter 1 Section A.	Introduction	<ul style="list-style-type: none">• Clarification of guidance – Requirement of preparation of unaudited quarterly financial statements.	April 15, 2003
Section B.	General Guidance	<ul style="list-style-type: none">• October 8, 2003 – Year end close.• October 17, 2003 – Draft financial reports due to auditors.• November 15, 2003 – Submission of FY2003 Consolidated Financial Statements.• Quarterly Process - Detailed schedules of Monthly and Quarterly Financial Statements processes.	
Chapter 2 Section A.	Assets	<ul style="list-style-type: none">• Clarified Restricted Assets definition	6/30/03
	General PP&E	<ul style="list-style-type: none">• Bureaus will use the capitalization thresholds for real property as established in the Real Property Financial Management Policy. Personal property thresholds remain the same.	

Chapter 2		Continued	
Section A.	Leases	<ul style="list-style-type: none"> Bureaus must use the GSA estimates provided by PFM. Guidance provided for non-GSA leases. 	
Section B.	Current & Non-Current Liabilities	<ul style="list-style-type: none"> Clarification of Current and Non-Current Liabilities definition. 	
	Accruals & Estimates	<ul style="list-style-type: none"> List of categories that require estimates and the components required in developing the estimates. 	
Chapter 4			7/1/03
Section A.	Combined Statement of Budgetary Resources	<ul style="list-style-type: none"> Expanded definition and treatment of Offsetting Receipts 	
Chapter 5			7/1/03
Section B.	Note Disclosures	<ul style="list-style-type: none"> Clarification of guidance – Bureaus must use the standard templates. Statement of Budgetary Resources Reconciliation with the President’s Budget – Clarification of the reconciliation process. Restatements (Prior Period Adjustments) – Preparation of Restatement footnote. Dedicated Collections – Clarification of guidance. Removed the following sections: <ul style="list-style-type: none"> Reimbursable Agreements Flow Through Activity Between Agencies - 	
Chapter 6			
Section A.			
Chapter 9	Hyperion Enterprise	<ul style="list-style-type: none"> Revised to include current processes, procedures and security. 	7/7/03
Chapter 11	Management’s Discussion and Analysis	<ul style="list-style-type: none"> Clarification of guidance. 	4/15/03
Chapter 12			

A copy will be maintained on the XA drive [XA:\2002 Financial Statements\Guidance\FY02 FS Prep Guide.wpd] and also on the NBC Trail Head. Changes to this guidance will be discussed with the Financial Statement Guidance Team before issuance, posted to the "XA" drive for reference purposes and announced via email.

Please contact Debra Carey on (202) 208-5542 or Donna McKethan on (202) 208-5224 if you have any questions. Thank you for your assistance.

cc: Bureau Deputy Chief Financial Officers
Bureau Finance Officers
SACAT
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KPMG

bcc: Linh Luu